OREGON LABOR TRENDS

MARCH 1988

FEBRUARY INDICATORS

UNEMPLOYMENT RATE

Oregon		*(Seas. Adj)*
Feb.	1988	6.2
Jan.	1988	6.0
Feb.	1987	7.0
U.S.		
Feb.	1988	5.7
Jan.	1988	5.8
Feb.	1987	6.6

WAGE AND SALARY EMPLOYMENT INDEX

Oregon	*1977=100*	
Feb.	1988	120.1
Jan.	1988	119.7
Dec.	1987	118.8
Nov.	1987	118.4
Oct.	1987	117.7

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon		
Jan.	1988	$10.71
Dec.	1987	$10.71
Jan.	1987	$10.59

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon		
Jan.	1988	39.9
Dec.	1987	39.3
Jan.	1987	38.9

CONSUMER PRICE INDEX (CPI-U)

1967=100
ALL URBAN CONSUMERS

Portland-Vancouver	
July-Dec. 1987	327 .8
Yearly change	3.3%
Annual Average 1987	324.7
Yearly change	2.5%
U.S.	
Feb. 1988	347.4
Yearly change	3.9%
Annual Average 1987	340.4
Yearly change	3.7%

Portland Hotline 221-4132

BUT WAIT, THERE'S MORE!

Rick Hawes

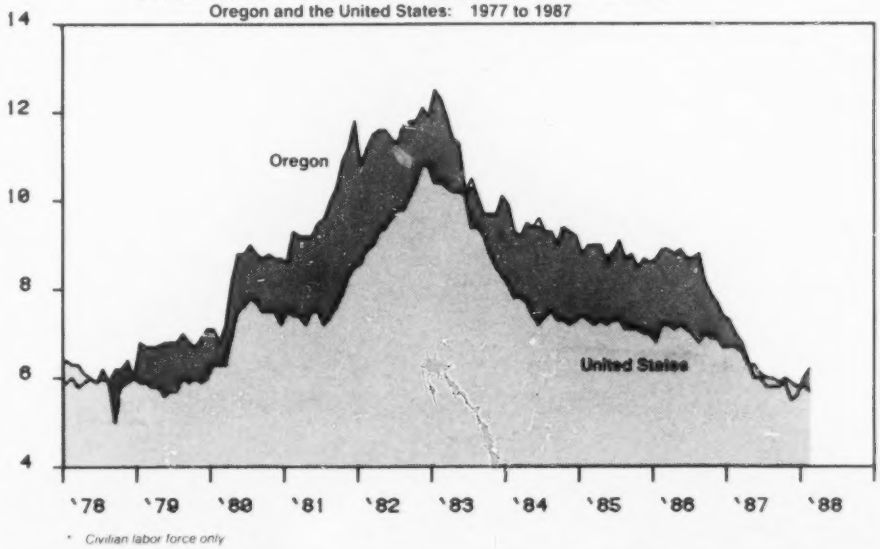
In February, Oregon's seasonally adjusted unemployment rate once again rose; this time to 6.2%, an increase of .2 over January. This was the third straight month that the State's unemployment rate increased. At the same time, the national rate declined by one tenth of a point to 5.7%. Based upon this information alone, one might conclude that the economic recovery in Oregon is ending. By examining the unemployment data in detail, however, and combining it with information from other sources which will be discussed later in this article, we get a clearer and brighter picture.

Recent benchmarking activities have just been completed for Oregon's seasonally adjusted unemployment rate for the past two years. The accompanying graph shows the effect of the 1987 benchmark. The revised 1986 monthly unemployment rates are somewhat higher than original estimates for the early part of the year and somewhat lower during the latter half. In 1987, the same pattern occurred, having the effect of leveling out the State's unemployment rate during the summer months.

The seasonally adjusted unemployment rate, which is derived from a combination of Employment Division administrative data and household survey information from the Current Population Survey conducted by the U.S. Census Bureau, is one of the most frequently cited statistics utilized to measure the health of Oregon's economy. It is, however, not sufficient as an economic yardstick. The picture it gives is neither detailed, nor focused adequately to provide an accurate image of the economy of the State of Oregon. It therefore, becomes necessary to include other data elements to more accurately interpret the economic picture.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES *

Oregon and the United States: 1977 to 1987



* Civilian labor force only

Oregon's wage and salary employment index, which is seasonally adjusted, climbed to 120.1; up .4 from January and making this the sixth consecutive month in which the index has captured an increase in the labor market. In February the civilian labor force grew by 11,200 to 1,411,100: 9,800 of these people found jobs.

Also in the month of February, the Employment Division received 6,894 job openings; 683 more than January, and 972 more than were received in February of 1987. This is pictorially represented in the accompanying graph. The Division has not seen this level of activity since 1980, prior to the recession. The number of job placements made by the Employment Division is also on the increase, climbing to 4,719 in February from 4,370 in January: 4,158 placements were recorded in February of 1987.

The U.S. Commerce Department reported an 8.9% increase in construction activity nationwide in February, . . .

Looking at the number of weeks of unemployment compensation being claimed in Oregon, we see a significant decrease from prior years (see accompanying graph). Only 158,427 weeks were claimed in February compared to 165,311 in January and 183,976 in February of 1987. In fact, this is the lowest number of weeks claimed in this period since the early 1970's, and this trend is expected to continue; no additional or extended benefit programs are anticipated this year.

Several more signs of continued improvement have been reported recently that could be expected to impact Oregon's employment picture. The U.S. Commerce Department reported an 8.9% increase in construction activity nationwide in February, pushing the construction of single-family homes and apartments up to a seasonally adjusted rate of 1.49 million units after two months of declining activity. At the same time, the Federal Reserve reported an increase in industrial activity of .2%, producing a level 5.8% higher than 1987. And locally, preliminary figures from the International Trade Institute in Portland show a 16% increase in export volume through the Port of Portland for 1987 to $3.6 billion. At the same time, import volume edged down by 1% to $4.85 billion.

Turning now to employment during February, the transportation equipment industry posted a gain of more than 900 jobs, leading manufacturing employment to its highest February level since 1980.

Construction employment led the nonmanufacturing sector by posting a 400 job gain during what is normally the "off-season". While most of this employment was in nonresidential and heavy construction, rising employment and steady mortgage interest rates should boost jobs in the residential construction industry in coming months, particularly in the Portland area where the Republic of Nauru recently made a substantial investment toward turning one square mile of the West Hills into a 2,200 home subdivision. Upcoming special projects around the State, such as the convention center and the beginning of the long-awaited Morrison St. development project in Portland, prison construction, and expansion of higher education facilities should keep construction employment at solid levels for some time to come.

. . . the Republic of Nauru recently made a substantial investment toward turning one square mile of the West Hills into a 2,200 home subdivision.

In the trade industry, while post-holiday layoffs in general merchandise, apparel, and furniture stores took a larger than expected toll, an increase of more than 1,000 jobs in food stores indicates that Oregon is still a hot battleground for expanding grocery chains.

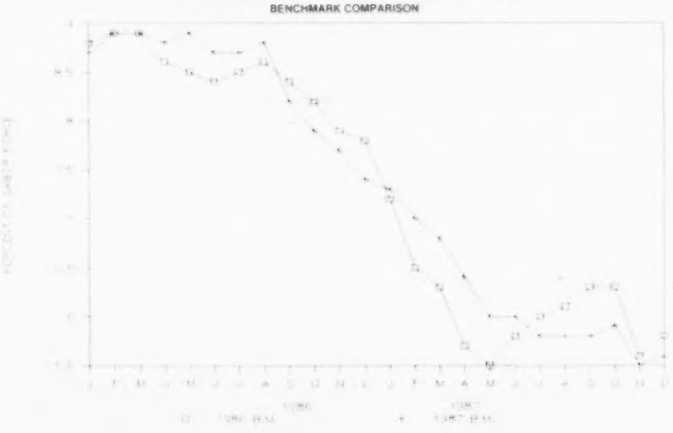
Another bright spot showed up in the services sector where private education

SEASONALLY ADJUSTED NON-AG WAGE & SALARY EMPLOYMENT INDEXES

Oregon and the United States 1980 to 1987

OREGON SEASONALLY ADJUSTED UNEMP. RATES

BENCHMARK COMPARISON



employment came back from its seasonal vacation, and where employment in business services rose to 43,900; an industry which has doubled its employment levels in just five years.

. . . the seasonally adjusted unemployment rate, taken by itself, provides a very hazy picture.

One final indicator of economic health is government employment. Here, as in the private sector, education climbed back in February as teachers and support workers returned after holiday breaks. With the expected continuation of economic expansion in Oregon, more tax dollars will be generated to fund the additions to the prison system and to fund other projects considered critical to the safety and prosperity of its citizens.

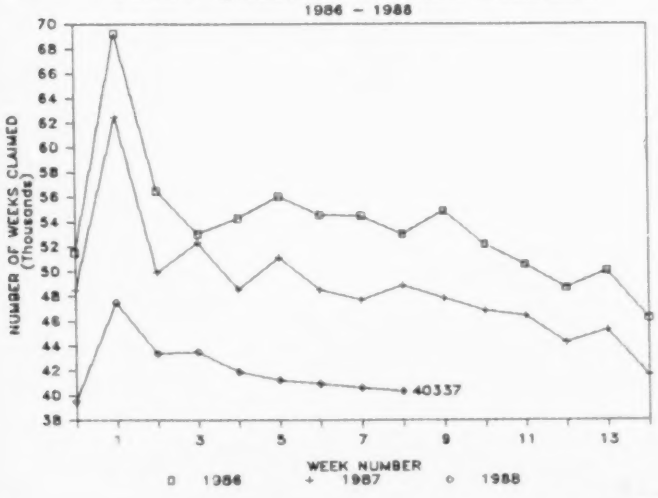
Having taken these other factors into account and analyzed their impact upon the workings of Oregon's economy, it is now easier to see that the seasonally adjusted unemployment rate, taken by itself, provides a very hazy picture. There is presently a considerable amount of growth-related activity in the State's economy; much of it self-sustaining, and more on the way. What appears at first glance from Oregon's unemployment rate to be the "end" is, in fact, a maturing, self-sustaining economic recovery. □

UNEMPLOYMENT RATES BY AREA

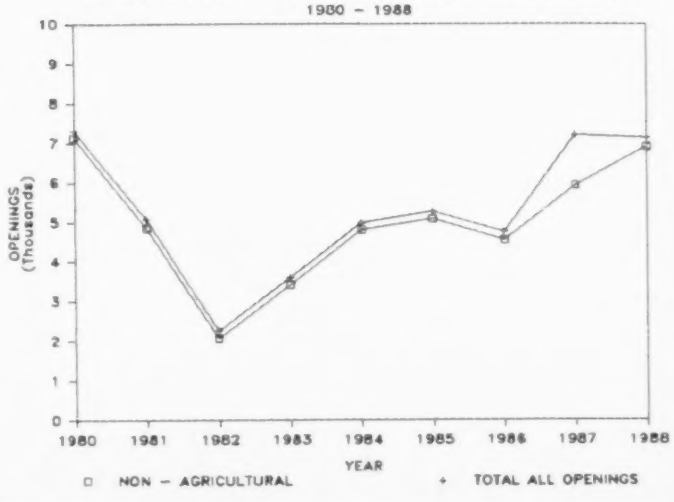
	February, 1988 Civilian Labor Force	Total ployment	Unempl.	Rate[1]
State of Oregon	1,411,100	1,309,900	101,200	7.2
Eugene MSA[2]	140,400	131,200	9,200	6.6
Medford MSA[3]	69,710	64,440	5,270	7.6
Portland[4]	648,300	612,100	36,200	5.6
Salem MSA[5]	130,300	120,200	10,100	7.8
Baker	6,870	5,930	940	13.7
Benton	36,900	35,400	1,500	4.1
Clatsop	17,420	16,030	1,390	8.0
Columbia	16,230	14,770	1,460	9.0
Coos	27,960	25,230	2,730	9.8
Crook	6,630	5,970	660	10.0
Curry	8,790	8,100	690	7.8
Deschutes	36,380	32,800	3,580	9.8
Douglas	44,240	40,110	4,130	9.3
Gilliam	850	790	60	7.1
Grant	4,340	3,710	630	14.5
Harney	4,090	3,750	340	8.3
Hood River	8,570	7,580	990	11.6
Jefferson	6,390	5,760	630	9.9
Jospehine	26,300	24,020	2,280	8.7
Klamath	25,420	22,380	3,040	12.0
Lake	4,080	3,510	570	14.0
Lincoln	18,900	17,340	1,560	8.3
Linn	41,730	37,560	4,170	10.0
Malheur	12,240	10,750	1,490	12.2
Morrow	3,550	3,120	430	12.1
Tillamook	9,080	8,150	930	10.2
Umatilla	29,530	26,230	3,300	11.2
Union	11,260	9,990	1,270	11.3
Wallowa	3,910	3,380	530	13.6
Wasco-Sherman	10,230	9,110	1,120	10.9
Wheeler	540	460	80	14.8

1/ Not Seasonally Adjusted
2/ Lane County
3/ Jackson
4/ Clackamas, Multnomah, Washington, Yamhill counties
5/ Marion and Polk counties

FIRST QUARTER WEEKS CLAIMED



FEBRUARY JOB OPENINGS RECEIVED



RESIDENT OREGON LABOR FORCE

	FEB.[1] 1988	JAN.[2] 1988	CHANGE	%CHANGE	FEB.[5] 1987
CIVILIAN LABOR FORCE[3]	1,411,100	1,399,900	11,200	0.8	1,353,800
UNEMPLOYMENT	101,200	99,800	1,400	1.4	109,800
PERCENT OF LABOR FORCE	7.2	7.1	XXX	XXX	8.1
SEASONALLY ADJUSTED PERCENT	6.2	6.0	XXX	XXX	7.0
TOTAL EMPLOYMENT[4]	1,309,900	1,300,100	9,800	0.8	1,244,000

1/ Preliminary. 2/ Revised. 3/ Includes employed and unemployed individuals 16 years and older. Data are adjusted for multiple job-holding and commuting. 4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants. 5/ Due to revised estimating procedures between December 1987 and January 1988, data for 1988 and that of previous years are not strictly comparable.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK)

INDUSTRY	FEB.[1] 1988	JAN.[2] 1988	FEB. 1987	CHANGE FROM JAN. 1988	CHANGE FROM FEB. 1987
TOTAL[3]	1,105,100	1,094,600	1,057,800	10,500	47,300
WAGE & SALARY EMPLOYMENT INDEX[4]	120.1	119.7	115.0	XXX	XXX
TOTAL MANUFACTURING	205,200	203,400	194,300	1,800	10,900
DURABLE GOODS	151,000	149,900	141,000	1,100	10,000
LUMBER & WOOD PRODUCTS	67,300	67,400	64,000	-100	3,300
LOGGING & SAWMILLS	33,700	34,000	32,400	-300	1,300
VENEER & PLYWOOD	17,800	17,900	17,300	-100	500
MILLWORK & STRUCTURAL WOOD	10,600	10,300	9,500	300	1,100
MOBILE HOMES	1,400	1,400	1,200	0	200
OTHER WOOD PRODUCTS	3,800	3,800	3,600	0	200
FURNITURE AND FIXTURES	2,400	2,400	2,400	0	0
STONE, CLAY, GLASS & CONCRETE	3,300	3,200	3,200	100	100
PRIMARY METALS	9,900	9,800	8,700	100	1,200
BLAST FURNACES, IRON & STEEL	6,000	5,900	5,300	100	700
NONFERROUS METALS	3,900	3,900	3,400	0	500
FABRICATED METALS	10,000	10,200	9,700	-200	300
FABRICATED STRUCTURAL METALS	4,100	4,300	4,300	-200	-200
OTHER FABRICATED METALS	5,900	5,900	5,400	0	500
MACHINERY	16,100	15,900	15,200	200	900
ELECTRICAL EQUIPMENT & SUPPLIES	14,300	14,100	12,900	200	1,400
TRANSPORTATION EQUIPMENT	12,200	11,300	10,100	900	2,100
INSTRUMENTS & RELATED PRODUCTS	12,200	12,300	12,100	-100	100
MISCELLANEOUS MANUFACTURING	3,300	3,300	2,700	0	600
NONDURABLE GOODS	54,200	53,500	53,300	700	900
FOOD & KINDRED PRODUCTS	20,400	20,000	21,000	400	-600
CANNING & PRESERVING	9,900	9,300	10,400	600	-500
OTHER FOOD PRODUCTS	10,500	10,700	10,600	-200	-100
TEXTILE MILL PRODUCTS	1,900	1,800	1,700	100	200
APPAREL	2,700	2,600	2,500	100	200
PAPER & ALLIED PRODUCTS	9,100	9,100	9,200	0	-100
PRINTING & PUBLISHING	13,200	13,200	12,400	0	800
CHEMICALS & ALLIED PRODUCTS	2,100	2,000	2,000	100	100
PETROLEUM REFINING	400	400	400	0	0
RUBBER & PLASTIC PRODUCTS	4,000	4,000	3,600	0	400
LEATHER PRODUCTS	400	400	500	0	-100
TOTAL NONMANUFACTURING	899,900	891,200	863,500	8,700	36,400
MINING & QUARRYING	1,300	1,300	1,300	0	0
CONSTRUCTION	31,400	31,000	29,400	400	2,000
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	58,400	58,300	57,000	100	1,400
TRANSPORTATION	37,200	37,100	35,900	100	1,300
RAILROAD	3,700	3,800	3,900	-100	-200
TRUCKING & WAREHOUSING	21,300	21,200	20,500	100	800
OTHER TRANSPORTATION	12,200	12,100	11,500	100	700
COMMUNICATIONS	12,500	12,500	12,500	100	100
UTILITIES	8,600	8,700	8,600	-100	0
TRADE	278,600	279,600	262,500	-1,000	16,100
WHOLESALE TRADE	70,600	70,800	65,800	-200	4,800
DURABLE GOODS	41,600	41,700	38,900	-100	2,700
NONDURABLE GOODS	29,000	29,100	26,900	-100	2,100
RETAIL TRADE	208,000	208,800	196,700	-800	11,300
GENERAL MERCHANDISE	26,600	28,700	25,300	-2,100	1,300
FOOD STORES	34,800	33,800	32,100	1,000	2,700
AUTO DEALERS & SERVICE STATIONS	25,600	25,700	24,900	-100	700
OTHER RETAIL TRADE	121,000	120,600	114,400	400	6,600
FINANCE, INSURANCE, & REAL ESTATE	72,000	71,600	70,200	400	1,800
BANKING & CREDIT AGENCIES	23,800	23,900	23,800	-100	0
OTHER FINANCE, INSURANCE, & REAL ESTATE	48,200	47,700	46,400	500	1,800
SERVICES	246,200	241,500	236,700	4,700	9,500
HOTELS & PERSONAL SERVICES	24,900	24,900	24,500	0	400
HEALTH SERVICES	76,400	76,300	73,400	100	3,000
OTHER SERVICES	144,900	140,300	138,800	4,600	6,100
GOVERNMENT	212,000	207,900	206,400	4,100	5,600
FEDERAL GOVERNMENT	29,800	29,700	28,000	100	1,800
STATE GOVERNMENT	59,000	57,600	56,600	1,400	2,400
EDUCATION	25,600	24,400	25,200	1,200	400
OTHER STATE	33,400	33,200	31,400	200	2,000
LOCAL GOVERNMENT	123,200	120,600	121,800	2,600	1,400
EDUCATION	79,400	77,100	79,200	2,300	200
OTHER LOCAL	43,800	43,500	42,600	300	1,200
LABOR - MANAGEMENT DISPUTES	100	100	0	0	100

1/ Preliminary
2/ Revised
3/ Includes full and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self-employed, private household workers and armed forces excluded. Note: Estimated in cooperation with the U.S. Bureau of Labor Statistics and Employment and Training Administration. All data are based on the 1972 Standard Industrial Classification (SIC) codes as amended by the 1977 supplement.
4/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's Annual Average Employment (774,300) and that of 1977 (936,900).

State of Oregon
EMPLOYMENT DIVISION
Department of Human Resources

Research and Statistics
March 1987 Benchmark
March 1988

OREGON RESIDENT LABOR FORCE, UNEMPLOYMENT & EMPLOYMENT 1987 1/

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
CIVILIAN LABOR FORCE	1,388.0	1,354.1	1,353.8	1,360.5	1,372.4	1,382.0	1,414.8	1,399.7	1,399.2	1,399.7	1,410.6	1,405.5	1,403.7
UNEMPLOYMENT	86.0	118.1	109.8	103.4	91.3	79.8	78.1	76.3	71.2	71.3	74.0	75.7	83.0
Percent of Labor Force	6.2	8.7	8.1	7.6	6.7	5.8	5.5	5.5	5.1	5.1	5.2	5.4	5.9
Seasonally Adjusted Percent	6.2	7.3	7.0	6.8	6.4	6.0	6.0	5.8	5.8	5.8	5.9	5.5	5.6
TOTAL EMPLOYMENT	1,302.0	1,236.0	1,244.0	1,257.1	1,281.1	1,302.2	1,336.7	1,323.4	1,328.0	1,328.4	1,336.6	1,329.8	1,320.7

OREGON NONAGRICULTURAL WAGE & SALARY EMPLOYMENT 1987 3/ **

TOTAL WAGE & SALARY	1,094.0	1,050.2	1,057.8	1,067.2	1,078.8	1,094.1	1,109.2	1,096.5	1,101.6	1,113.8	1,121.1	1,121.4	1,116.5
Wage & Salary Empl. Index (1977=100) 4/	116.8	114.8	115.0	115.7	116.0	116.4	116.6	117.3	117.2	117.4	117.7	118.4	118.8
Diffusion Index 5/	59.8	55.8	60.8	57.7	63.2	64.3	66.3	66.7	60.9	55.0	52.7	55.8	58.5
MANUFACTURING, TOTAL	204.9	191.9	194.3	195.4	197.0	201.1	208.2	215.0	216.5	215.7	210.0	208.9	205.2
Durable Goods	148.1	140.5	141.0	142.1	143.7	147.6	150.3	152.2	153.4	153.0	150.5	152.0	151.2
Lumber & Wood Products	67.4	64.6	64.0	64.2	65.4	67.3	69.6	70.4	70.3	69.5	67.3	68.8	67.8
Logging & Sawmills	34.4	33.1	32.4	32.3	32.9	34.2	35.8	36.4	36.5	35.7	34.1	35.3	34.6
Veneer & Plywood	17.7	17.3	17.3	17.5	17.5	17.7	17.9	18.0	17.8	17.9	17.8	17.8	17.7
Millwork & Structural Wood	10.1	9.5	9.5	9.6	9.9	10.2	10.6	10.6	10.6	10.5	10.1	10.3	10.3
Mobile Homes	1.4	1.2	1.2	1.2	1.3	1.3	1.4	1.5	1.5	1.5	1.5	1.5	1.4
Other Wood Products	3.8	3.5	3.6	3.6	3.8	3.9	3.9	3.9	3.9	3.9	3.8	3.9	3.8
Furniture & Fixtures	2.5	2.4	2.4	2.4	2.4	2.4	2.5	2.5	2.5	2.5	2.6	2.6	2.5
Stone, Clay, Glass & Concrete Prod.	3.4	3.0	3.2	3.2	3.3	3.5	3.5	3.6	3.7	3.7	3.7	3.5	3.3
Primary Metals	9.3	8.5	8.7	8.9	9.0	9.1	9.4	9.4	9.6	9.6	9.6	9.7	9.7
Blast Furnaces, Iron & Steel Found.	5.6	5.2	5.3	5.4	5.4	5.4	5.6	5.6	5.7	5.7	5.7	5.8	5.8
Nonferrous Metals	3.7	3.3	3.4	3.5	3.6	3.7	3.8	3.8	3.9	3.9	3.9	3.9	3.9
Fabricated Metals	10.2	9.7	9.7	9.9	9.9	10.1	10.3	10.5	10.6	10.8	10.6	10.4	10.4
Fabricated Structural Metals	4.5	4.2	4.3	4.4	4.4	4.5	4.6	4.7	4.8	4.8	4.6	4.5	4.4
Other Fabricated Metals	5.7	5.5	5.4	5.5	5.5	5.6	5.7	5.8	5.8	6.0	6.0	5.9	6.0
Machinery	15.5	15.0	15.2	15.2	15.4	15.5	15.5	15.5	15.6	15.7	15.8	15.9	15.8
Electrical Equipment & Supplies	13.4	12.8	12.9	13.0	13.2	13.3	13.4	13.5	13.8	13.8	13.8	13.8	13.9
Transportation Equipment	11.1	9.8	10.1	10.4	10.3	11.4	10.9	11.5	11.8	11.9	11.5	11.7	12.3
Instruments & Related Products	12.1	12.1	12.1	12.1	12.0	12.0	12.1	12.1	12.1	12.1	12.1	12.2	12.3
Miscellaneous Manufacturing	3.1	2.6	2.7	2.8	2.8	3.0	3.1	3.2	3.4	3.4	3.5	3.4	3.2
Nondurable Goods	56.8	51.4	53.3	53.3	53.3	53.5	57.9	62.8	63.1	62.7	59.5	56.9	54.0
Food & Kindred Products	23.8	19.3	21.0	20.7	20.8	21.0	25.0	29.5	29.6	29.2	26.1	23.3	20.5
Canning & Preserving	12.9	8.7	10.4	10.2	10.2	10.3	14.0	18.4	18.6	18.1	15.0	12.1	9.3
Other Food Products	10.9	10.6	10.6	10.5	10.6	10.7	11.0	11.1	11.0	11.1	11.1	11.2	11.2
Textile Mill Products	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Apparel	2.5	2.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.6	2.6	2.6
Paper & Allied Products	9.2	9.2	9.2	9.2	9.2	9.1	9.3	9.4	9.4	9.3	9.1	9.1	9.0
Printing & Publishing	12.7	12.4	12.4	12.5	12.4	12.4	12.4	12.6	12.8	12.8	12.9	13.2	13.3
Chemicals & Allied Products	2.1	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.0	2.0	2.0
Petroleum Refining	0.5	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.4
Rubber & Plastic Products	3.8	3.5	3.6	3.6	3.7	3.7	3.8	3.9	3.9	4.0	4.0	4.0	4.0
Leather Products	0.5	0.5	0.5	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4

1987 Continued

	Annual Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
NONMANUFACTURING, TOTAL	889.1	858.3	863.5	871.8	881.8	893.0	901.0	881.5	885.1	898.1	911.1	912.5	911.3
Mining & Quarrying	1.4	1.3	1.3	1.3	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.5	1.3
Construction	34.5	29.6	29.4	29.9	32.1	34.5	36.0	37.8	39.2	38.6	37.4	35.9	33.8
Transp., Comm. & Utilities	58.3	56.8	57.0	57.2	57.6	57.8	58.4	58.6	58.5	59.4	59.1	59.0	60.1
Transportation	37.0	35.7	35.9	36.0	36.4	36.7	37.1	37.0	37.0	37.9	37.8	37.8	38.9
Railroad	3.9	4.0	3.9	3.9	4.0	4.0	3.9	3.9	4.0	4.0	4.0	3.9	3.8
Trucking & Warehousing	21.2	20.4	20.5	20.4	20.5	20.8	21.3	21.5	21.6	21.8	21.5	21.8	22.7
Other Transportation	11.8	11.3	11.5	11.7	11.9	11.9	11.9	11.6	11.4	12.1	12.3	12.1	12.4
Communications	12.5	12.5	12.5	12.5	12.4	12.3	12.4	12.7	12.6	12.6	12.6	12.5	12.5
Utilities	8.8	8.6	8.6	8.7	8.8	8.8	8.9	8.9	8.9	8.9	8.7	8.7	8.7
Trade	276.3	264.2	262.5	265.2	269.1	273.4	277.6	279.0	282.9	283.5	282.5	286.7	288.7
Wholesale Trade	69.1	65.9	65.8	66.5	67.4	67.8	68.9	69.9	71.6	71.5	71.3	70.8	71.3
Durable Goods	40.5	39.0	38.9	39.2	39.6	39.8	40.5	41.0	41.6	41.5	41.4	41.3	41.7
Nondurable Goods	28.6	26.9	26.9	27.3	27.8	28.0	28.4	28.9	30.0	30.0	29.9	29.5	29.6
Retail Trade	207.2	198.3	196.7	198.7	201.7	205.6	208.7	209.1	211.3	212.0	211.2	215.9	217.4
General Merchandise	27.2	26.5	25.3	25.2	25.6	25.8	26.3	26.8	27.2	27.1	27.9	30.6	31.8
Food Stores	33.7	32.2	32.1	32.2	32.6	33.2	33.7	34.3	34.7	34.8	34.9	35.2	34.2
Auto Dealers & Service Stations	26.0	24.7	24.9	25.2	26.0	26.5	26.8	26.9	26.7	26.5	26.2	25.7	25.3
Other Retail Trade	120.4	114.9	114.4	116.1	117.5	120.1	121.9	121.1	122.7	123.6	122.2	124.4	126.1
Finance, Ins. & Real Estate	71.7	70.1	70.2	70.7	71.3	71.8	72.5	73.1	72.7	72.3	71.9	71.5	71.9
Banking & Credit Agencies	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.7	23.6	23.6	23.8
Other Finance, Ins. & Real Estate	47.9	46.3	46.4	46.9	47.5	48.0	48.7	49.3	48.9	48.6	48.3	47.9	48.1
Services	242.4	233.0	236.7	239.0	242.1	243.3	242.9	243.6	243.9	245.4	247.1	245.7	245.9
Hotels & Personal Services	26.0	24.3	24.5	25.2	25.8	26.4	27.0	27.3	27.6	27.0	26.3	25.4	24.8
Health Services	74.7	73.3	73.4	73.9	74.0	73.9	74.7	75.0	75.3	75.2	75.6	75.7	76.2
Other Services	141.7	135.4	138.8	139.9	142.3	143.0	141.2	141.3	141.0	143.2	145.2	144.6	144.9
Government	204.5	203.3	206.4	208.5	208.2	210.8	212.1	187.9	186.4	197.4	211.6	212.2	209.6
Federal	30.2	28.6	28.0	28.6	29.7	30.1	30.8	31.2	31.4	31.3	31.1	30.7	30.4
State Government	56.9	55.2	56.6	57.8	57.7	57.5	58.7	54.2	53.7	53.9	59.5	59.0	58.4
Education	23.6	24.1	25.2	25.4	25.0	24.9	24.9	19.8	19.2	19.1	24.9	25.6	25.2
Other State	33.2	31.1	31.4	32.4	32.7	32.6	33.8	34.4	34.5	34.8	34.6	33.4	33.2
Local Government	117.5	119.5	121.8	122.1	120.8	123.2	122.6	102.5	101.3	112.2	121.0	122.5	120.8
Education	73.4	77.1	79.2	79.2	77.6	79.0	77.1	56.3	55.1	67.4	77.1	78.8	77.4
Other Local	44.1	42.4	42.6	42.9	43.2	44.2	45.5	46.2	46.2	44.8	43.9	43.7	43.4
LABOR-MANAGEMENT DISPUTES	0.2	0.0	0.0	0.0	1.4	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1

1/ Includes employed and unemployed individuals 16 years and older by place of residence. Data are adjusted for multiple job-holding and commuting. Includes nonagriculture wage and salary, self-employed, unpaid family workers, domestics, agriculture and labor disputants.

2/ Sum of monthly estimates divided by 12. Unemployment rate derived by dividing unemployment by civilian labor force.

3/ This nonagricultural wage and salary employment series is based on the 1972 Standard Industrial Classification (SIC) manual as amended by the 1977 supplement. The data are by place of work and persons working multiple jobs are counted more than once. Workers involved in labor-management disputes are excluded from the wage and salary employment totals.

4/ Total nonagricultural wage and salary employment, seasonally adjusted and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's annual average employment (774.3) and that of 1977 (936.9).

5/ The diffusion index is the percentage of a selected group of 43 industries showing an increase in seasonally adjusted employment. Half of those industries showing no significant change (less than 1/2 of 1%) are counted as increasing.

State of Oregon
EMPLOYMENT DIVISION
Department of Human Resources

Research and Statistics
March 1987 Benchmark
March 1988

OREGON RESIDENT LABOR FORCE, UNEMPLOYMENT & EMPLOYMENT 1986 1/

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
CIVILIAN LABOR FORCE	1,360.0	1,320.9	1,325.1	1,330.7	1,344.9	1,357.6	1,387.0	1,368.4	1,378.0	1,372.7	1,382.5	1,379.5	1,372.8
UNEMPLOYMENT	115.0	136.7	136.6	131.7	123.9	116.2	111.5	111.0	106.8	98.2	96.8	104.0	106.6
Percent of Labor Force	8.5	10.3	10.3	9.9	9.2	8.6	8.0	8.1	7.8	7.2	7.0	7.5	7.8
Seasonally Adjusted Percent	8.5	8.7	8.9	8.9	8.8	8.9	8.7	8.7	8.8	8.2	7.9	7.7	7.4
TOTAL EMPLOYMENT	1,245.0	1,184.2	1,188.5	1,199.0	1,221.0	1,241.4	1,275.5	1,257.4	1,271.2	1,274.5	1,285.7	1,275.5	1,266.2

OREGON NONAGRICULTURAL WAGE & SALARY EMPLOYMENT 1986 3/ **

TOTAL WAGE & SALARY	1,058.5	1,020.3	1,024.8	1,033.0	1,047.2	1,059.9	1,073.6	1,054.7	1,065.0	1,078.0	1,086.0	1,081.3	1,077.7
Wage & Salary Empl. Index (1977=100) 4/	113.0	111.5	111.4	112.0	112.6	112.8	112.8	112.9	113.3	113.4	114.0	114.2	114.7
Diffusion Index 5/	53.1	44.2	45.3	45.7	54.7	56.6	55.8	52.7	54.7	55.4	57.0	54.6	60.1
MANUFACTURING, TOTAL	198.4	190.6	190.6	190.5	192.6	196.1	202.1	200.8	206.7	208.6	205.4	199.7	196.9
Durable Goods	143.4	140.4	139.9	139.7	141.9	144.4	146.3	143.2	145.6	146.8	145.9	144.0	142.8
Lumber & Wood Products	64.6	60.5	60.9	61.1	62.8	64.3	66.2	64.9	66.6	67.7	67.2	66.9	66.1
Logging & Sawmills	33.4	30.9	30.9	30.7	31.8	32.9	34.2	33.1	35.5	35.6	35.4	34.9	34.3
Veneer & Plywood	16.8	16.1	16.2	16.6	16.8	17.0	17.2	16.9	15.9	16.9	17.1	17.5	17.5
Millwork & Structural Wood	9.5	8.7	8.9	8.9	9.1	9.2	9.7	9.8	10.1	10.1	9.8	9.6	9.6
Mobile Homes	1.3	1.3	1.3	1.3	1.4	1.4	1.3	1.3	1.4	1.4	1.3	1.3	1.2
Other Wood Products	3.7	3.5	3.6	3.6	3.7	3.8	3.8	3.8	3.7	3.7	3.6	3.6	3.5
Furniture & Fixtures	2.7	2.6	2.5	2.5	2.6	2.6	2.7	2.7	2.8	3.0	2.9	2.7	2.6
Stone, Clay, Glass & Concrete Prod.	3.3	3.0	3.0	3.1	3.2	3.3	3.4	3.5	3.5	3.5	3.5	3.3	3.2
Primary Metals	8.6	8.7	8.7	8.8	8.5	8.5	8.5	8.6	8.6	8.6	8.6	8.5	8.6
Blast Furnaces, Iron & Steel Found.	5.3	5.4	5.4	5.5	5.3	5.3	5.3	5.4	5.4	5.3	5.3	5.2	5.3
Nonferrous Metals	3.3	3.3	3.3	3.3	3.2	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.3
Fabricated Metals	10.6	11.1	10.8	10.7	10.7	10.7	10.8	10.5	10.6	10.5	10.2	10.2	10.0
Fabricated Structural Metals	4.8	5.3	5.1	5.1	5.0	5.0	5.0	4.6	4.6	4.5	4.3	4.3	4.2
Other Fabricated Metals	5.8	5.8	5.7	5.6	5.7	5.7	5.8	5.9	6.0	6.0	5.9	5.9	5.8
Machinery	15.0	14.9	14.9	14.8	15.0	15.0	15.0	15.1	15.1	15.0	15.0	15.0	15.2
Electrical Equipment & Supplies	12.9	13.3	13.2	12.7	12.7	12.8	12.9	13.0	13.0	13.0	13.0	12.8	12.8
Transportation Equipment	10.1	9.9	9.5	9.7	10.2	11.1	10.9	9.2	10.3	10.7	10.7	9.9	9.6
Instruments & Related Products	13.1	14.1	14.1	13.9	13.8	13.6	13.4	13.1	12.5	12.2	12.2	12.1	12.1
Miscellaneous Manufacturing	2.5	2.3	2.3	2.4	2.4	2.5	2.5	2.6	2.6	2.6	2.6	2.6	2.6
Nondurable Goods	55.0	50.2	50.7	50.8	50.7	51.7	55.8	57.6	61.1	61.8	59.5	55.7	54.1
Food & Kindred Products	23.7	19.8	20.4	20.4	20.2	21.1	24.7	26.1	29.3	29.7	27.3	23.6	21.9
Canning & Preserving	13.0	9.5	10.1	10.1	9.9	10.7	14.1	15.3	18.3	18.6	15.9	12.3	10.7
Other Food Products	10.8	10.3	10.3	10.3	10.3	10.4	10.6	10.8	11.0	11.1	11.4	11.3	11.2
Textile Mill Products	1.6	1.6	1.6	1.5	1.5	1.5	1.5	1.6	1.6	1.7	1.7	1.7	1.7
Apparel	2.3	2.3	2.3	2.4	2.3	2.2	2.3	2.2	2.3	2.3	2.3	2.4	2.4
Paper & Allied Products	9.1	9.0	8.9	8.9	8.9	8.9	9.2	9.3	9.3	9.3	9.1	9.1	9.2
Printing & Publishing	12.0	11.5	11.5	11.5	11.7	11.8	11.8	12.0	12.2	12.3	12.5	12.4	12.5
Chemicals & Allied Products	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.1	2.1	2.0	2.0	2.0	2.0
Petroleum Refining	0.5	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5
Rubber & Plastic Products	3.4	3.2	3.2	3.3	3.3	3.3	3.3	3.4	3.4	3.5	3.5	3.5	3.5
Leather Products	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.4

1986 Continued

	Annual Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
NONMANUFACTURING, TOTAL	860.1	829.7	834.2	842.5	854.6	863.8	871.5	853.9	858.3	869.4	880.6	881.6	880.8
Mining & Quarrying	1.4	1.3	1.2	1.2	1.5	1.6	1.5	1.5	1.5	1.5	1.5	1.5	1.4
Construction	34.3	30.7	30.0	31.4	33.3	34.2	35.8	37.1	38.1	37.8	36.8	34.1	32.4
Transp., Comm. & Utilities	57.2	55.8	55.7	55.6	56.4	56.6	57.0	57.7	57.6	58.3	58.3	58.4	58.9
Transportation	35.7	34.1	34.2	34.2	34.8	35.0	35.9	35.8	35.8	36.7	37.1	37.1	37.7
Railroad	4.3	4.5	4.5	4.5	4.4	4.4	4.3	4.3	4.2	4.1	4.1	4.1	4.0
Trucking & Warehousing	20.3	18.8	18.8	18.9	19.4	19.6	20.6	20.8	20.9	21.1	21.3	21.4	22.1
Other Transportation	11.1	10.8	10.9	10.8	11.0	11.0	11.0	10.7	10.7	11.5	11.7	11.6	11.6
Communications	12.8	13.0	12.9	12.8	12.9	12.9	12.3	13.0	13.0	12.9	12.6	12.7	12.6
Utilities	8.7	8.7	8.6	8.6	8.7	8.7	8.8	8.9	8.8	8.7	8.6	8.6	8.6
Trade	267.3	256.0	254.5	257.6	263.1	266.2	271.3	270.6	273.3	273.4	271.2	273.7	276.1
Wholesale Trade	67.4	65.3	65.4	66.1	67.2	67.1	67.9	68.1	68.9	69.1	68.7	67.4	67.4
Durable Goods	39.5	38.5	38.6	38.7	39.6	39.9	40.2	40.1	40.0	39.9	39.8	39.4	39.5
Nondurable Goods	27.9	26.8	26.8	27.4	27.6	27.2	27.7	28.0	28.9	29.2	28.9	28.0	27.9
Retail Trade	199.9	190.7	189.1	191.5	195.9	199.1	203.4	202.5	204.4	204.3	202.5	206.3	208.7
General Merchandise	26.2	25.9	25.0	24.7	25.3	25.5	25.7	25.9	26.0	26.1	26.3	28.3	29.6
Food Stores	31.7	30.0	29.7	30.1	30.9	31.4	32.3	32.6	32.8	32.7	32.5	32.8	32.8
Auto Dealers & Service Stations	25.2	23.8	23.8	24.2	24.8	25.1	25.7	26.0	26.3	26.2	25.8	25.5	25.3
Other Retail Trade	116.8	111.0	110.6	112.5	114.9	117.1	119.7	118.0	119.3	119.3	117.9	119.7	121.0
Finance, Ins. & Real Estate	69.5	66.9	67.1	67.6	68.4	69.1	70.1	71.0	71.2	71.1	70.5	70.2	70.6
Banking & Credit Agencies	23.7	23.4	23.2	23.3	23.5	23.6	23.8	24.1	24.2	24.1	23.8	23.9	23.9
Other Finance, Ins. & Real Estate	45.8	43.5	43.9	44.3	44.9	45.5	46.3	46.9	47.0	47.0	46.7	46.3	46.7
Services	230.2	219.2	222.3	224.8	228.3	230.4	231.2	232.4	233.4	234.4	235.1	235.4	235.9
Hotels & Personal Services	25.5	23.5	24.1	24.5	25.0	25.3	26.5	26.9	27.3	26.8	25.9	25.0	24.8
Health Services	72.5	70.7	71.0	71.5	71.9	72.1	72.7	73.1	73.5	73.8	72.9	73.1	73.7
Other Services	132.3	125.0	127.2	128.8	131.4	133.0	132.0	132.4	132.6	133.8	136.3	137.3	137.4
Government	200.2	199.8	203.4	204.3	203.6	205.7	204.6	183.6	183.2	192.9	207.2	208.3	205.5
Federal	29.6	28.3	28.4	28.4	28.5	29.2	29.8	31.0	30.8	30.9	30.4	29.4	29.5
State Government	54.6	54.0	55.3	55.8	55.7	55.3	55.2	51.8	51.8	51.3	56.4	56.8	55.7
Education	23.0	23.4	24.4	24.6	24.3	24.1	23.3	19.2	18.5	18.9	24.5	25.3	25.0
Other State	31.6	30.6	30.9	31.2	31.4	31.2	31.9	32.6	33.3	32.4	31.9	31.5	30.7
Local Government	116.0	117.5	119.7	120.1	119.4	121.2	119.6	100.8	100.6	110.7	120.4	122.1	120.3
Education	73.0	76.3	78.2	78.3	77.5	78.6	75.8	55.8	55.3	66.6	77.3	78.9	77.2
Other Local	43.1	41.2	41.5	41.8	41.9	42.6	43.8	45.0	45.3	44.1	43.1	43.2	43.1
LABOR-MANAGEMENT DISPUTES	0.6	0.0	0.0	0.0	0.0	0.0	0.7	3.2	2.0	0.8	0.1	0.1	0.0

** Data are in thousands

1/ Includes employed and unemployed individuals 16 years and older by place of residence. Data are adjusted for multiple job-holding and commuting. Includes nonagriculture wage and salary, self-employed, unpaid family workers, domestics, agriculture and labor disputants.

2/ Sum of monthly estimates divided by 12. Unemployment rate derived by dividing unemployment by civilian labor force.

3/ This nonagricultural wage and salary employment series is based on the 1972 Standard Industrial Classification (SIC) manual as amended by the 1977 supplement. The data are by place of work and persons working multiple jobs are counted more than once. Workers involved in labor-management disputes are excluded from the wage and salary employment totals.

4/ Total nonagricultural wage and salary employment, seasonally adjusted and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's annual average employment (774.3) and that of 1977 (936.9).

5/ The diffusion index is the percentage of a selected group of 43 industries showing an increase in seasonally adjusted employment. Half of those industries showing no significant change (less than 1/2 of 1%) are counted as increasing.

HOURS & EARNINGS

Graham Slater

This is the last of three articles which focus on the usefulness of Hours and Earnings economic data. The first two covered average weekly hours and hourly earnings. This month we complete the series with some comments on average weekly earnings and the use of earnings data in general.

Average Weekly Earnings (AWE)

1. This statistic translates hourly earnings into a meaningful "dollars in the pocket" figure. For example, hourly earnings in printing & publishing exceed those of lumber & wood products, but due to a shorter workweek, the publishing employee takes home less money at the end of the week. The figures are:

2. AWE data allows interpretation of major changes in terms of actual dollars

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Jan.[2] 1988	Dec.[3] 1987	Jan. 1987	Jan.[2] 1988	Dec.[3] 1987	Jan. 1987	Jan.[2] 1988	Dec.[3] 1987	Jan. 1987
TOTAL MANUFACTURING[4]	$427.33	$420.90	$411.95	39.9	39.3	38.9	$10.71	$10.71	$10.59
Durable Goods	433.35	425.86	414.88	40.5	39.8	39.4	10.70	10.70	10.53
Lumber & Wood Products	430.64	418.86	410.78	39.8	39.0	38.9	10.82	10.74	10.56
Logging & Sawmills	455.91	437.37	429.66	39.1	37.9	38.5	11.66	11.54	11.16
Veneer & Plywood	425.82	409.51	408.18	40.4	39.3	39.4	10.54	10.42	10.36
Millwork & Structural	381.43	385.14	355.03	42.1	42.0	39.1	9.06	9.17	9.08
Mobile Homes	267.95	318.45	318.15	32.4	36.9	35.0	8.27	8.63	9.09
Other Wood Products	425.72	413.43	419.35	40.7	40.1	40.4	10.46	10.31	10.38
Furniture & Fixtures	296.58	316.09	340.72	37.4	37.9	41.4	7.93	8.34	8.23
Primary Metals	506.60	525.64	487.22	42.5	42.7	40.4	11.92	12.31	12.06
Fabricated Metals	392.69	381.64	371.70	40.4	40.6	38.8	9.72	9.40	9.58
Machinery (Ex Electrical)	451.36	459.91	427.84	40.7	41.1	38.2	11.09	11.19	11.20
Nondurable Goods	410.65	407.43	405.00	38.2	37.9	37.5	10.75	10.75	10.80
Food & Kindred Products	323.76	322.49	338.90	35.5	35.4	35.9	9.12	9.11	9.44
Canning & Preserving	272.43	266.40	291.15	33.8	33.3	35.9	8.06	8.00	8.11
Other Food Products	381.75	381.26	386.64	37.5	37.6	36.0	10.18	10.14	10.74
Textile Mill Products	238.92	263.20	244.69	35.5	37.6	37.3	6.73	7.00	6.56
Apparel	229.26	218.89	223.06	37.4	36.3	38.0	6.13	6.03	5.87
Paper & Allied Products	651.57	660.91	623.66	43.7	43.0	41.8	14.91	15.37	14.92
Printing & Publishing	436.60	425.35	412.25	37.0	36.7	35.6	11.80	11.59	11.58
Construction[4]	457.58	466.66	446.85	33.4	33.5	33.1	13.70	13.93	13.50
Communications & Utilities[5]	541.93	553.38	503.60	40.9	40.6	40.0	13.25	13.63	12.59
Trade[5]	292.79	282.38	280.17	33.5	33.3	33.0	8.74	8.48	8.49
Wholesale Trade	407.36	378.97	387.66	38.0	36.3	36.4	10.72	10.44	10.65
Retail Trade	238.33	235.32	228.80	31.4	31.8	31.3	7.59	7.40	7.31
Banking & Insurance[5]	331.88	309.46	310.72						
State & Local Government	370.89	365.43	352.79						

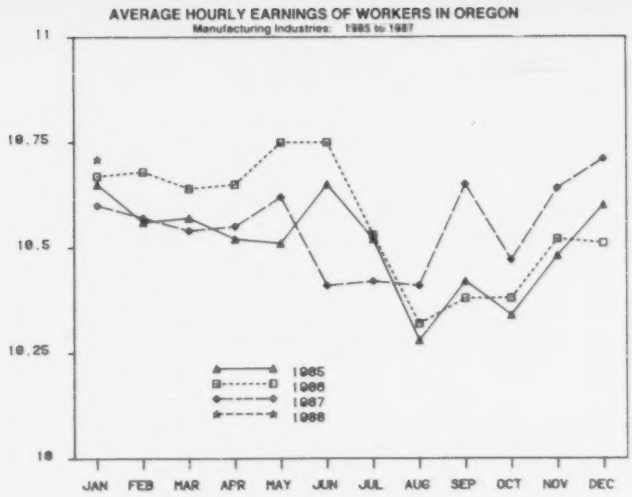
1/ Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.
2/ Preliminary
3/ Revised
4/ Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.
5/ Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

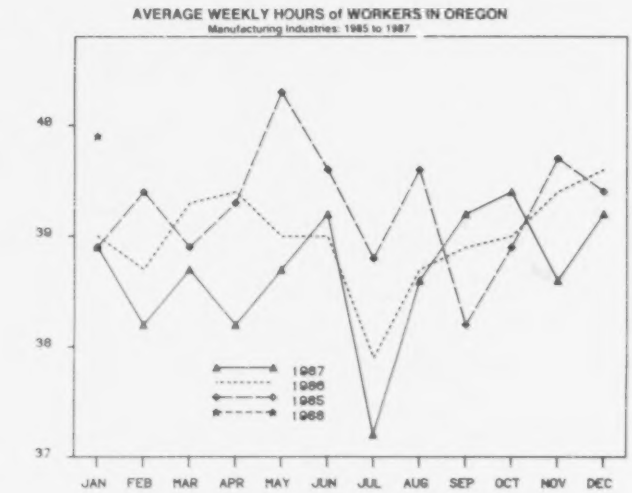
in the economy. Return again to last fall's logging example. Adding together the impact of those who were totally out of work (700 production workers laid off between August and September) and the drop in hours worked for those remaining on the job, total income for production workers in the logging industry dropped by $1.7 million for every week of the slowdown!

	Publishing	Lumber
AHE	$11.43	$10.84
AWH	36.0	40.0
AWE	$411.48	$433.60

Finally, a caution on the use of hours & earnings data, particularly earnings. By definition, these statistics include only "regular" income. For example, payment for wages, salaries, overtime, vacations, and sick leave would be included, but "irregular" items such as tips, lump sums, profit sharing, and occasional bonuses are excluded. As companies introduce more flexible benefit packages, earnings data represent only one part of the total compensation to the employee.

I hope that these ideas for using hours & earnings data prove helpful. The data are available and "the phone lines are open". Several analysts are familiar with these data and can be reached by calling (503) 378-8658. □





REGIONAL STRATEGIES: A PROGRAM OF CHOICE

George L. Wyatt

(Editor's note: Mr. Wyatt is the Director of the Regional Strategies Program within The Oregon Economic Development Department. In this month's issue of **Oregon Labor Trends**, *we present the first half of Mr. Wyatts' article.)*

On May 13, 1987, Governor Goldschmidt signed into law the Regional Economic Development Strategies Program. This was perceived as the linchpin program in the Oregon Comeback. It established the opportunity for communities across the State to take a leadership role in developing their own economic comeback. This program represented the Governor's commitment to improve the economic health of the State. He envisioned Oregon's local citizens becoming actively involved in designing the economic destiny of their communities. Regional Strategies was an open invitation for economic development to become a public process and not the result of primarily private sector entrepreneurial decisions.

A regional strategy is a near term economic development plan which focuses on a principal economic activity; . . .

Each region was to choose one item to place on the State's economic agenda. Some regions were expected to choose secondary wood or agriculture processing, while others were more likely to opt for value added high technology, metals processing or fabrication, or tourism. The regions were asked specifically to choose one thing, and only one, for their economic strategy of choice. The strategy was to be a local decision based on a comprehensive and objective assessment of local assets. This strategy of choice was to be the one thing it could do substantially better with a state partnership.

The Regional Strategies Program assumed that local citizens could and would become active participants in the economic development process. The Oregon economy was considered to be the sum of many regional economies. For the Oregon Comeback to be successful, every region in the state was expected to have its own comeback plan. It was for this reason that the Regional Strategies Program was considered to be the cornerstone of the Governor's Oregon Comeback Program.

REGIONAL STRATEGIES PROCESS

A regional strategy is a near term economic development plan which focuses on a principal economic activity; capitalizes on leverage and job creation opportunities; is self-sustaining; and offers long term economic growth and/or development prospects. The plan is developed and adopted by a county or group of counties which can benefit by combining their efforts. It is then proposed to the State for adoption. In developing a regional strategy, a principal economic activity refers to a major industry or a grouping of firms under several industry categories producing related goods and services which build upon the assets of a region to secure or diversify that region's economic base and bring income and jobs into a region of the State. General efforts to improve the economy which cannot be directly tied to a major industry or grouping of firms, such as promotion of small businesses in general or statewide resource management issues such as timber supply and agricultural supply, do not constitute a principal economic activity in this program.

. . . a regional strategy is intended to help focus the investment of limited public and private resources into projects and activities that will pay off in new jobs and increased income for the region . . .

A regional strategy is a goal toward which progress is achieved by focusing on principal economic activity to produce jobs and economic benefits over a three to five year period. It is not meant to direct all long-term economic development efforts in the region. Instead, a regional strategy is intended to help focus the investment of limited public and private resources into projects and activities that will pay off in new jobs and increased income for the region and the State in the next few years. The strategy of choice should provide an economic stimulus to the regional economy, be locally determined, and be the result of a careful and objective assessment of human and natural resources as well as the assessment of the marketplace. To develop this near term plan, the region needs to evaluate economic development opportunities that are immediately available and develop a plan to pursue those job and income-generating opportunities that will have significant and measurable near term economic impact.

Projects associated with a regional strategy are tasks, improvements, or actions needed to help implement a regional strategy. To be carried out, a project may require the assistance of local governments, the private sector, the state and/or federal government. Short list projects refer specifically to a prioritized list of projects for which an immediate commitment of state assistance is sought to help implement a regional strategy. State assistance is not limited to funding but cannot include ongoing or continuing operating expenses, debt retirement or service, and reimbursement to any person, municipality or agency for expenditures made or expenses incurred prior to the adoption of a regional strategy.

. . . opportunity for communities across the State to take a leadership role in developing their own economic comeback.

There are several general steps involved in the development and approval of a regional strategy. All of these steps will be taken by each region, although not necessarily in the same order. The steps are:

1. Organize locally
2. Identify assets, liabilities, and job-creating and other economic opportunities
3. Define the region (single or multi-county)
4. Write the draft regional strategy document
5. Adoption of the regional strategy by county governing body
6. Strategy review by the State
7. Approval by the Governor

The county governing body is designated as the catalyst for developing and adopting a regional strategy. The Regional Strategies Unit and the Oregon Department of Economic Development are responsible to review the submitted strategy against requirements and adherence to the statutory objectives of the program. This review will include all state agencies affected by the strategy and will confirm the commitments to be made by other governments and organizations, including private interests, if the strategy is adopted. The Department may suggest alternative sources of state assistance to those proposed by the region in the submitted strategy.

The Department's recommendation to the Governor must address the choice of strategy, the definition of the region, the level of funding for the strategy, the short list projects to be funded, and the level and sources of funding for these projects. Upon receipt and review of the Department's recommendation, the Governor may formally designate the region and adopt the regional strategy or return the strategy to the region for modification. Adoption by the Governor will include approval of the strategy and the region, the level of funding for the strategy, the short list projects to be funded, and the level and sources of funding for these short list projects.

STANDARDS FOR STRATEGIES

Regional economic development strategies should address the following standards:

1. Build or enlarge economically viable industries, with reasonable long-term growth prospects, including opportunities for innovative new industries;
2. Result in a net benefit to the state in the long term and not require continuing state subsidies;
3. Utilize existing public and private assets, including infrastructure, human resources and plant and equipment;
4. Improve the conditions of the economically disadvantaged and increase the number of family wage jobs;
5. Harness Oregon's comparative advantage with emphasis on the growth and development of existing, in-state businesses, especially small businesses;
6. Direct assistance primarily to strategies that assist businesses selling goods and services in markets for which national or international competition exists;
7. Result in the economic revitalization of small cities and underdeveloped urban and rural areas; and
8. Assure that public investments to implement a strategy are matched to the maximum extent possible, by the contribution of private financial and other resources.

Next month, we will look at challenges, a progress report, and future directions. □

EMPLOYERS' CORNER - THE CHALLENGES OF THE 90's

Dorothy Monnier

A major challenge our country now faces if we are to improve our competitive position in world markets is not the lack of jobs, but rather a lack of literate individuals to meet the demands of our expanding economy.

Every employer who builds employees' skills today offers not just his or her company, but this country, a better tomorrow by recognizing and influencing employees who have reading problems to seek help.

Most business men and women would agree that in today's highly competitive and complex market place an educated workforce is a critical asset. Yet one in nine employees in America today is functionally illiterate.

Without basic reading and writing skills these workers cannot possibly perform to their full potential. If they could, the increased benefits both to themselves and to their employers would be considerable. Functional illiteracy in the United States means 27 million people over the age of 17 who can't read and write well enough to function in the basic requirement of everyday living and working. Add to this number another 45 million adults who are only marginally competent in their basic skills and the total becomes 72 million, or one out of every three adult Americans. According to the U.S. Department of Education, this figure is growing by 2 1/4 million every year! Imagine what this figure will be by the year 2000 if we don't work together to reduce the problem.

According to current figures compiled by the Oregon State Board of Education, Oregon ranks 7th nationwide for being one of the most literate states. The percentage of functional illiterates in our adult population is 15%.

As employers, you need to begin thinking about what you can do to protect your business. Illiteracy is not just a social issue; it is also a dollar-and-cents issue, one that affects a company's productivity, its bottom line. If employees cannot read, then the businesses they work for are going to be affected, not only in terms of productivity, but also in terms of profits, job performance, and safety.

For more information please call Dorothy Monnier, State JSEC Coordinator at 1-800-237-3710 ext 8-4446.□

JSEC SEMINARS FOR EMPLOYERS

Local Job Service Employer Committees have scheduled the following seminars for employers during April, 1988:

DISCRIMATION AND DISCHARGE
Takeena Lodge, Albany
April 13 . . . 7:30 AM to 1:00 Noon
Call Andy Runnion or
Sue Hankins ph. 967-9139

THE EMPLOYMENT INTERVIEW/TERMINATION PROCEDURES
Holiday Inn South, 1-5, Stafford Rd. Exit
April 26 . . . 7:15 AM to 11:00 AM
Call Cathie Moravec or
Jerry Howard, ph. 657-2078

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Send comments, questions, and address changes ATTN: Jeff Hannum, R&S-LMI or Phone (503) 378-2736 or toll free 1-800-237-3710 ext. 8-8657.

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